

3/22/04

03-24-2004

Form PTO-1594 (Rev. 10/02) OMB No. 0651-0027 (exp. 6/30/2005) Tab settings



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U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Carneros Creek Winery, LLC, a California Limited Liability Company

- Individual(s) Association General Partnership Limited Partnership Corporation-State Other Limited Liability Company

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment Merger Security Agreement Change of Name Other Release of Security Agreement

Execution Date: 08/27/1998

2. Name and address of receiving party(ies)

Name: Pacific Coast Farm Credit Services Internal Address: ACA

Street Address: 1101 Vintage Avenue City: St. Helena State: CA Zip: 94574

- Individual(s) citizenship Association General Partnership Limited Partnership Corporation-State Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? Yes No

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

1,383,637

Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: American AgCredit

Internal Address:

Street Address: 1101 Vintage Avenue

City: St. Helena State: CA Zip: 94574

6. Total number of applications and registrations involved:

7. Total fee (37 CFR 3.41) \$ 40.00

- Enclosed Authorized to be charged to deposit account

8. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Connee Brannigan

Name of Person Signing

Signature

3/16/04

Date

Total number of pages including cover sheet, attachments, and document: 5

03/23/2004 DBYRNE 00000095 1383637

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Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

TRADEMARK REEL: 002935 FRAME: 0303

SECURITY AGREEMENT
(TRADEMARKS AND TRADEMARK LICENSES)

WHEREAS, Carneros Creek Winery, LLC, a California Limited Liability Company (Grantor), has agreed to grant to **PACIFIC COAST FARM CREDIT SERVICES, ACA** (Lender), a lien on and security interest in substantially all of Grantor's assets in order to secure, among other things, the prompt and complete payment of all amounts owing under various loan agreements, promissory notes, and other documents from Grantor and others to Lender:

WHEREAS, pursuant to the terms of that certain Security Agreement dated August 27, 1998, as the same may from time to time be amended, modified and supplemented (the "Security Agreement"), by and between Grantor and Lender, Grantor has granted a security interest to Lender in Grantor's Trademarks and in related assets; and

WHEREAS, Grantor owns the Trademarks and has rights under any Trademark License listed on Schedule I attached hereto, and may hereafter own Trademarks, file various Trademark applications, or be a party to, or and assignee of a party to, various Trademark Licenses.

NOW THEREFORE, in consideration of the premises and the covenants hereinafter contained, and to induce Lender to lend money to Grantor and others, it is agreed as follows:

1. **Grant of Security Interest.** To secure the prompt and complete payment and performance when due (whether at stated maturity, by acceleration or otherwise) of all debts that now are or may in the future become owing from Grantor, Grantor does hereby assign, convey, mortgage, pledge and grant to Lender a lien on and security interest in all of Grantor's right, title and interest, whether presently existing or hereafter arising or acquired, in, to and under the following (all of which being hereinafter collectively called the "Trademark Collateral"):
 - a. all of Grantor's Trademarks, whether registered or unregistered, trade names, corporate names, business names, trade styles, service marks, logos, and other source or business identifiers, and all applications therefore and reissues, extensions or renewals thereof, (collectively, the "Trademarks"), including each Trademark listed in Schedule I;
 - b. all interest of Grantor in any Trademark licenses or Trademark licensing agreements, including each Trademark license listed in Schedule I;
 - c. each Registered Trademark in which Grantor has any interest and any Trademark application filed by Grantor, including each Trademark in Schedule I;
 - d. the goodwill associated with: (i) each Trademark and Trademark application, including each Trademark listed in Schedule I; (ii) each Trademark licensed under any Trademark license, including each Trademark License listed in Schedule I; and
 - e. all proceeds of the foregoing, including without limitation, any royalties from licenses and any claim of Grantor against third parties for any: (i) A present or future infringement or dilution of any Trademark, including any

Trademark listed in Schedule I, and of any Trademark license, including each Trademark license listed in Schedule I; and (ii) injury to the goodwill association with any Trademark registration or Trademark licensed under any Trademark License.

2. **Representations and Warranties.** Grantor represents and warrants to Lender that as of the date of this Security Agreement ("Agreement"), Grantor:

- a. does not own any Trademark other than the Trademarks listed in Schedule I; and
- b. is not a party to, or an assignee of a party to any Trademark License other than the Trademark Licenses listed in Schedule I.

3. **Covenants of Grantor.** Grantor covenants and agrees as follows:

- a. Grantor will notify Lender no later than then (10) days after Grantor acquires any Trademark not included in Schedule I, or becomes a licensee under any Trademark License. If Lender so requests, Grantor will deliver to Lender an Amendment to Schedule I describing such Trademark or Trademark License. If such Trademark or the subject of such Trademark License is registered or the subject of any application filed with the United States Patent and Trademark Office or with any similar office or agency of the United States, any State or Territory thereof, or any foreign country or political subdivision thereof, and if Lender so requests, Grantor will file this Assignment, together with such Amendment to Schedule I, with any and all such offices.
- b. Upon the written request of Lender, and at the sole expense of Grantor, Grantor shall promptly and duly execute and deliver any and all additional documents, including UCC-1 Financing Statement, and take such further action as Lender may reasonable deem desirable to obtain the full benefit of this Assignment.
- c. Grantor must take all steps necessary to maintain trademarks and the rights thereto.
- d. Grantor may not sell, assign, transfer or grant a license for the use any Trademark Collateral without the prior written consent of the Lender. Grantor shall notify Lender of its intent to transfer, sell, assign or grant a license for the use of any Trademark Collateral at least thirty (30) days prior to the date of such transfer, sale, assignment or grant of a license. Grantor shall provide Lender with the name, telephone number and address of the party or parties to whom such transfer, sale, assignment or grant shall be made. Lender may, at its sole option, provide such party or parties with a notice of its security interest and may require that all proceeds from such sale, transfer, assignment or grant be remitted to it.

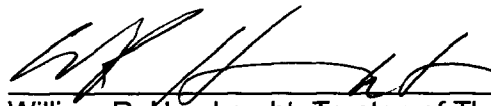
4. **Incorporation of Security Agreement.** Grantor hereby acknowledges and affirms that the rights and remedies of Lender with respect to the lien on and security interest in the Trademark Collateral made and granted hereby are more

fully set forth in the Security Agreement the terms and provisions of which are incorporated herein by this reference as if fully set forth herein. This Security Agreement for Trademarks and Trademark Licenses is supplemental to and does not supersede or rescind the Security Agreement.

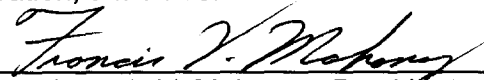
5. **Power of Attorney.** In connection with this Security Agreement, under a separate instrument, Grantor has appointed Lender as its attorney-in-fact for the purpose of taking whatever steps are deemed desirable by Lender to obtain the full benefit of this Security Agreement. The grant of this power of attorney shall not be deemed a delegation of any of Grantor's duties or covenants hereunder. The exercise of the Power of Attorney by the Lender shall be at the Lender's sole option and convenience.

IN WITNESS WHEREOF, Grantor has caused this Security Agreement to be executed and delivered by its duly authorized officers as of the 27th day of August, 1998.

Carneros Creek Winery, LLC, a California Limited Liability Company

By: 
William R. Hambrecht, Trustee of The
Hambrecht 1980 Revocable Trust, a Member

By: Carneros Creek Winery, Inc., a California
Corporation, a Member

By: 
Francis V. Mahoney, President

Pacific Coast Farm Credit Services, ACA

By: 
Connie Brannigan, Vice President

**SCHEDULE I
TRADEMARKS**

PLEASE INITIAL
[Handwritten initials]

NAME

TRADEMARK REGISTRATION NUMBER WITH THE
SECRETARY OF STATE

Carneros Creek Winery

1,383,637